

Mailers Companion

July 1997

SPECIAL RATES ISSUE

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Rate Preview

No change until mid '98

THERE'S a lot more work to do before these proposed rates are finalized...but here's a preview.

Rate changes take months of consideration and consultation. That's why we're looking at these rate changes now, even though they won't go into effect until May of next year or later.

The Postal Service is seeking to determine the smallest and fairest rate changes. Any increases will be just enough to support growth in mail volume, pay for service to millions of new addresses each year, and maintain universal service to the entire nation.

The Postal Service has made some big improvements, despite the accumulated deficits of more than \$5 billion and the need to keep improving in some categories. Service and financial performance have set records for excellence over the last 3 years, and customer satisfaction has improved as well.

On June 30, the Board of Governors authorized an omnibus filing regarding

classifications, rates, and fees, as highlighted in this issue. The next step is for the Postal Rate Commission to offer their recommendations on the proposed changes. Then the Governors can act on those recommendations.

As with the January 1995 adjustments, the Postal Service is trying to keep increases below the rate of inflation. But our costs have risen just like those of any business. And we still have losses from the past 2 decades that we must settle.

The 1995 increase was the first adjustment in 4 years—a record period of rate stability for the Postal Service and its customers. This increase will mark 3½ years of stability.

Postage rates rose five times in the 1970s and four times in the 1980s. The last two of this decade's three increases will have been significantly below the rate of inflation.

In fact, the real cost of a First-Class stamp will have dropped by 7 percent since 1991.

— *Pat Bennett, Mail Preparation and Standards*

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Setting Postage Rates

When, why, and how it's done

HERE'S how stamp prices are set and why periodic adjustments are necessary.

Customers often think the Postal Service changes rates more often than it does, and without customers' input.

Actually, the Postal Service changes rates just often enough to cover costs and keep quality high. We want to maintain universal service at a price that's affordable—without subsidies from taxes.

The Postal Service doesn't set rates for postal services. The Postal Reorganization Act of 1970 shifted rate-making authority from the Congress to two presidentially appointed bodies—the Governors of the Postal Service and the Postal Rate Commission (PRC).

proposed rates and sends them to the Governors, who act on the recommendations.

The Governors may order the new rates into effect as recommended, reject the rates, or allow them under protest. The decision of the Governors can be appealed in a federal court of appeals.

— Pat Bennett, *Mail Preparation and Standards*

Adjusting Rates

When the Postal Service determines, through cost and volume studies, that a rate adjustment is needed, the Board of Governors requests a recommendation from the independent PRC, which holds hearings on the request.

During these hearings, any interested party—Postal Service customers, competitors, mailing groups, and members of the public—has the chance to speak and offer evidence to the PRC that relates to that party's concerns about the rate request.

A Decision is Made

After up to ten months of in-depth hearings, review, testimony, and rebuttal, the PRC makes recommendations on the

Definitions

Postal Rate Commission (PRC)—An independent federal agency that makes recommendations about Postal Service requests for changes in postal rates and mail classifications. The five commissioners are nominated by the President and approved by the Senate.

Postal Service Board of Governors—The governing body of the Postal Service, comparable to a private corporation's board of directors. The Board includes nine governors who are appointed by the President with the Senate's advice and consent. The nine governors select a Postmaster General, who becomes a member of the Board, and those 10 select a Deputy Postmaster General, who also serves on the Board. The Board directs and controls the expenditures and reviews the practices and policies of the Postal Service.

First-Class Mail

Proposed rates and changes

THE Postal Service receives no tax dollars. It relies solely on the sale of its products and services to pay its costs.

As with any company, our operating costs increase—costs for fuel, transportation, utilities, salaries, and benefits—so rates must also increase.

While our competitors increase their prices every year, the Postal Service has offset cost increases for more than 3½ years. A small increase now will keep postal services improving.



Managing expenses and improving efficiencies cost only a penny.

It's Only a Penny

The Postal Service's request for a 1-cent increase for the first ounce rate for single-piece First-Class letter mail is the smallest increase since the reorganization of the Postal Service in 1970. This increase is only one-half the rate of inflation since the 32-cent rate was established 3½ years before. For most people, this small incremental increase is better than waiting longer and making a larger increase in price. And this rate would carry us into the year 2000.

The Postal Rate Commission can review the proposal for up to 10 months before making a recommendation. The actual increase would not take effect before next May.

Rate Changes

The single-piece first-ounce letter rate would increase from 32 to only 33 cents. The rate for additional ounces would still be 23 cents. A piece that costs 55 cents to mail today would cost only 56 cents.

The rate for single-piece cards would also increase by only a penny. The surcharge for nonstandard single-piece First-Class Mail pieces would increase from 11 to 16 cents.

The rates below are also affected:

- **Automation rates**—The non-barcoded presort discount would decrease from 2.5 cents to 2 cents. Automation discounts would stay almost the same (for example, a 0.1 cent reduction in the 3-digit automation discount).
- **Carrier route rates**—The automation carrier-route discount from the 5-digit automation rate would return to the 0.3 cent rate that was proposed in the 1995 rate filing under Classification Reform.
- **Heavy piece discount**—The heavy-piece discount for presorted mail weighing over 2 ounces would be eliminated. This discount is no longer needed because the additional ounce rate is holding at 23 cents.

Reply Mail

Although most First-Class rate elements remain the same, a new rate has been added: a prepaid reply mail rate for letters. This rate would help more people save money through automation.

Participating businesses would send a postage-paid return envelope with each monthly bill they mail. The amount

Percentages

First-Class Mail	Percent Rate Increase
Letters	3.3%
Cards	5.9%
Total	3.4%

of postage they pre-pay would be based on the average number of envelopes that get returned, not on the full number they distribute with the bills.

This service would also be available for cards at a rate of 18 cents.

Commercial mailers like utilities and credit card companies could enjoy faster return of remittances and more goodwill from customers with prepaid reply mail. But these mailers would have to maintain a high-quality, easily-audited mail receipt system and a centralized accounting payment system (CAPS) debit account. The CAPS account is debited for the postage owed and for a monthly fee (\$1,000) to cover administrative costs.

Only participating mailers would produce these envelopes, not the Postal Service. The Postal Service won't refund postage for envelopes returned with a stamp affixed. Nor would the Postal Service issue a prepaid stamp to use on these bill payment envelopes.

Of course, businesses must be authorized by the Postal Service to use prepaid reply mail and use envelopes that meet all the applicable automation mailing standards.

New rates are also proposed for advance deposit account business reply mail (BRM). Prebarcoded (BRMAS) letters and cards would be called "qualified business reply mail," at lower rates.

While these rates are the same as for prepaid reply mail, postage accounting is different. For qualified BRM, postage is collected on a postage-due basis through an advance deposit account, as it is now. A BRM fee of 6 cents per piece would also apply.

The Bottom Line

On-time service for local First-Class Mail has reached an all-time high score of 92% nationwide. Service in other categories of mail is up, too.

The Postal Service wants to keep building on this positive trend. This proposed one-penny increase in First-Class Mail postage will help us to do just that.

— Sherl Johnson, Mail Preparation and Standards

First-Class Mail Rates

(rounded to the nearest tenth of a cent)

Mail Type	Current	Proposed
Single-Piece and Nonautomated Presorted		
Letters, Flats, and Irregular Parcels:		
Single-Piece:		
First Ounce	32.0	33.0
Nonstandard Surcharge	11.0	16.0
Hazardous Medical		
Materials Surcharge	N/A	50.0
Prepaid Reply Mail	N/A	30.0
Qualified Business Reply Mail	N/A	30.0
Presorted:		
First Ounce	29.5	31.0
Nonstandard Surcharge	5.0	11.0
Heavy Piece Deduction*	-4.6	N/A
Additional Ounce	23.0	23.0
Cards:		
Single-Piece	20.0	21.0
Presorted	18.0	19.0
Prepaid Reply Mail	N/A	18.0
Qualified Business Reply Mail	N/A	18.0
Automated Letters and Flats		
Letters (First Ounce):		
Basic Automation	26.1	27.5
3-Digit Letters	25.4	26.5
5-Digit Letters	23.8	24.9
Carrier Route Letters	23.0	24.6
Flats (First Ounce):		
Basic Automation	29.0	30.0
3/5-Digit Flats	27.0	28.0
Nonstandard Surcharge	5.0	11.0
Additional Ounce	23.0	23.0
Heavy Piece Deduction*	-4.6	N/A
Cards:		
Basic Automation	16.6	17.6
3-Digit Cards	15.9	17.0
5-Digit Cards	14.3	15.9
Carrier Route Cards	14.0	15.6

* Heavy pieces weigh more than 2 ounces.

Expedited Services: Express Mail

Proposed rates and changes

Changes

Next Day and Second Day Post Office to Addressee is, by far, the most widely used service, representing about 98 percent of the Express Mail volume. For this service, the half-pound rate will increase by 5 percent—from \$10.75 to \$11.25.

Same Day Airport Service was suspended for security reasons in 1995. In

Pickup Service

Pickup Service is available for Express Mail on an on-call basis. The current fee for this service is \$4.95.

The fee is charged per pickup stop and not per number of pieces picked up. The proposed fee for pickup service is \$8.25.

case conditions change and this service can be again offered, we are requesting new rates. The 2-pound rate increases from \$15.00 to \$14.95.

All other Express Mail rates have a moderate to slightly above average increase, reflecting above average cost increases in providing the service. There are no structure changes to Express Mail.

Express Mail insurance will still provide the first \$500 in merchandise coverage as part of the original fee, and more insurance up to \$5,000 is available at a fee of \$1 for every \$100 of additional insurance.

— *Pat Bennett, Mail Preparation and Standards*

What Is It?

Express Mail is a premium service that offers guaranteed next-day and second-day delivery service nationwide.

There are four service options:

- Next Day and Second Day Post Office to Addressee Service
- Next Day and Second Day Post Office to Post Office
- Custom Designed Service
- Same Day Airport Service

Proposed Express Mail Rates, All Service Levels

Weight Not Over (lbs.)	Same Day Airport	Custom Designed	PO to PO	PO to Addressee
0.5	\$9.25	\$9.50	\$10.50	\$11.25
1	10.75	13.50	12.25	14.95
2 ¹	11.25	13.75	12.25	14.95
3	12.25	15.50	14.00	18.00
4	13.25	17.35	15.75	20.25
5	14.25	19.75	17.75	22.00
6	15.50	22.75	21.00	24.75
7	16.50	24.25	22.50	27.00
8	17.75	25.75	23.50	27.75
9	19.00	27.25	24.50	28.50
10	20.25	28.75	25.75	30.00
11	21.50	29.50	26.75	30.75
12	22.75	30.25	27.75	31.50
13	24.00	31.00	29.00	32.25
14	25.25	31.75	31.00	33.50
15	26.50	32.50	32.00	34.25
16	27.75	34.00	33.10	35.50
17	29.00	34.50	34.55	37.00
18	30.25	36.00	36.00	38.50
19	31.50	37.50	37.45	40.00
20	32.75	38.50	38.25	40.75
21	34.00	40.50	40.00	42.00
22	35.25	41.00	41.00	43.00
23	36.50	43.00	42.00	44.25
24	37.75	44.00	43.00	45.70
25	39.00	45.00	44.00	47.20
26	40.25	46.50	45.20	48.65
27	41.50	47.50	46.65	50.10
28	42.75	48.50	48.10	51.55
29	44.00	50.00	49.55	53.00
30	45.25	50.80	51.00	54.50
31	46.50	52.25	52.50	55.95
32	47.60	53.70	53.95	57.40
33	48.70	55.15	55.40	58.85
34	49.80	56.65	56.85	60.30
35	50.90	58.10	58.30	61.75

Weight Not Over (lbs.)	Same Day Airport	Custom Designed	PO to PO	PO to Addressee
36	\$52.00	\$59.55	\$59.80	\$63.25
37	53.10	61.00	61.25	64.70
38	54.20	62.45	62.70	66.15
39	55.30	63.95	64.15	67.60
40	56.40	65.40	65.60	67.70
41	57.50	66.85	66.50	69.15
42	58.60	68.30	67.20	70.60
43	59.70	69.75	68.60	72.00
44	60.80	71.20	70.05	73.45
45	61.90	72.70	71.45	74.85
46	63.00	74.15	72.90	76.25
47	64.10	75.60	73.50	76.55
48	65.15	77.05	74.60	77.95
49	66.15	78.50	76.00	79.35
50	67.15	79.95	77.40	80.75
51	68.15	80.25	78.80	82.15
52	69.15	81.70	80.20	83.55
53	70.15	83.10	81.65	85.00
54	71.15	84.55	83.05	86.40
55	72.15	85.95	84.45	87.80
56	73.15	87.45	85.85	89.20
57	74.15	88.85	87.25	90.60
58	75.15	90.30	88.65	92.05
59	76.15	91.75	90.10	93.45
60	77.15	93.15	91.50	94.85
61	78.15	94.60	92.90	96.25
62	79.15	96.05	94.30	97.65
63	80.15	97.50	95.70	99.05
64	81.15	98.90	97.15	100.50
65	82.15	100.35	98.55	101.90
66	83.15	101.80	99.95	103.30
67	84.15	103.20	101.35	104.70
68	85.15	104.70	102.75	106.10
69	86.15	106.10	104.15	107.50
70	87.15	107.55	105.60	108.95

¹ The 2-pound rate is charged for matter sent in a "flat rate" envelope provided by the Postal Service.

Expedited Services: Priority Mail

Proposed rates and changes

You can now
confirm that your
package was
delivered

THE Priority Mail flat rate for up to two pounds increases by 20 cents to \$3.20.

Delivery Confirmation

Delivery confirmation will be offered at no additional fee for mailers who apply the identifying barcodes themselves and retrieve the information electronically.

Delivery confirmation will also be offered with Priority Mail for an additional fee of 35 cents at the time of mailing. Customers can get confirmation information by calling a toll-free number.

Presort

Priority Mail presort will be eliminated. It has not proven to be popular among customers since it was started 7 years ago. In Fiscal Year 1996, less than 1% of Priority Mail was presorted.

Also, many presort functions are no longer needed.

What Is It?

Priority Mail is First-Class Mail that weighs more than 11 ounces or, at the mailer's option, any other mail matter (including regular First-Class Mail) that weighs 11 ounces or less. The most a piece can weigh is generally 70 pounds. Charges are based on the zone (distance) and/or the piece's weight.

All other Priority Mail rates have a moderate to slightly above average increase, reflecting above-average cost increases in providing the service.

— *Pat Bennett, Mail Preparation and Standards*

Pickup Service

Pickup Service is available for Priority Mail on an on-call basis. The current fee for this service is \$4.95.

The fee is charged per pickup stop and not per number of pieces picked up. The new fee for pickup service will be \$8.25.

Proposed Priority Mail Rates, Single-Piece

Weight up to (lbs.)	Local, 1, 2, & 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
1	\$3.20	\$3.20	\$3.20	\$3.20	\$3.20	\$3.20
2 ¹	3.20	3.20	3.20	3.20	3.20	3.20
3	4.40	4.40	4.40	4.40	4.40	4.40
4	5.50	5.50	5.50	5.50	5.50	5.50
5	6.60	6.60	6.60	6.60	6.60	6.60
6	6.75	6.90	7.75	7.80	8.25	8.75
7	7.05	7.60	8.60	9.10	9.85	11.15
8	7.35	8.30	9.45	10.05	10.85	12.40
9	7.65	9.00	10.25	11.00	11.90	13.65
10	8.10	9.75	11.10	11.90	12.80	14.85
11	8.55	10.45	11.90	12.85	13.85	16.10
12	9.00	11.15	12.75	13.80	14.85	17.35
13	9.45	11.85	13.60	14.70	15.90	18.60
14	9.90	12.60	14.40	15.65	16.90	19.85
15	10.35	13.30	15.25	16.60	17.95	21.05
16	10.80	14.00	15.50	17.50	18.95	22.30
17	11.25	14.75	16.30	18.45	20.00	23.55
18	11.70	15.45	17.10	19.40	21.00	24.80
19	12.15	16.15	17.90	20.30	22.05	26.05
20	12.55	16.85	18.70	21.25	23.05	27.25
21	12.95	17.60	18.75	22.20	24.10	28.50
22	13.35	18.30	19.50	23.10	25.10	29.75
23	13.75	19.00	20.25	24.05	26.15	31.00
24	14.15	19.75	21.05	25.00	27.15	32.25
25	14.55	20.45	21.80	25.90	28.20	33.45
26	14.95	21.15	22.55	26.85	29.20	34.70
27	15.35	21.85	23.35	27.80	30.25	35.95
28	15.75	22.60	24.10	28.70	31.25	37.20
29	16.15	23.30	24.90	29.65	32.30	38.45
30	16.40	24.00	25.65	30.60	33.30	39.65
31	16.85	24.75	26.40	31.55	34.35	40.90
32	17.30	25.45	27.20	32.45	35.35	42.15
33	17.75	26.15	27.95	33.40	36.40	43.40
34	18.25	26.85	28.70	34.35	37.40	44.65
35	18.70	27.60	29.50	35.25	38.40	45.85

Weight up to (lbs.)	Local, 1, 2, & 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
36	\$19.15	\$28.30	\$30.25	\$36.20	\$39.45	\$47.10
37	19.60	29.00	31.05	37.15	40.45	48.35
38	20.05	29.75	31.80	38.05	41.50	49.60
39	20.55	30.45	32.55	39.00	42.50	50.85
40	21.00	31.15	33.35	39.95	43.55	52.10
41	21.45	31.85	34.10	40.85	44.55	53.30
42	21.90	32.60	34.85	41.80	45.60	54.55
43	22.35	33.30	35.65	42.75	46.60	55.80
44	22.85	34.00	36.40	43.65	47.65	57.05
45	23.30	34.75	37.20	44.60	48.65	58.30
46	23.75	35.45	37.95	45.55	49.70	59.50
47	24.20	36.15	38.70	46.45	50.70	60.75
48	24.65	36.85	39.50	47.40	51.75	62.00
49	25.15	37.60	40.25	48.35	52.75	63.25
50	25.60	38.30	41.00	49.25	53.80	64.50
51	26.05	39.00	41.80	50.20	54.80	65.70
52	26.50	39.75	42.55	51.15	55.85	66.95
53	26.95	40.45	43.35	52.05	56.85	68.20
54	27.45	41.15	44.10	53.00	57.90	69.45
55	27.90	41.85	44.85	53.95	58.90	70.70
56	28.35	42.60	45.65	54.85	59.95	71.90
57	28.80	43.30	46.40	55.80	60.95	73.15
58	29.25	44.00	47.15	56.75	62.00	74.40
59	29.75	44.75	47.95	57.65	63.00	75.65
60	30.20	45.45	48.70	58.60	64.05	76.90
61	30.65	46.15	49.50	59.55	65.05	78.10
62	31.10	46.85	50.25	60.45	66.10	79.35
63	31.55	47.60	51.00	61.40	67.10	80.60
64	32.05	48.30	51.80	62.35	68.15	81.85
65	32.50	49.00	52.55	63.25	69.15	83.10
66	32.95	49.75	53.30	64.20	70.20	84.30
67	33.40	50.45	54.10	65.15	71.20	85.55
68	33.85	51.15	54.85	66.05	72.25	86.80
69	34.35	51.85	55.65	67.00	73.25	88.05
70	34.80	52.60	56.40	67.95	74.30	89.30

¹ The 2-pound rate is charged for matter sent in a "flat rate" envelope provided by the Postal Service.

Periodicals

Proposed rates and changes

Highlights

Here are some highlights of the Periodicals rate changes:

- Drop shipment pound rates will decrease.
- Zoned advertising pound rates will better reflect transportation costs. There are decreases in pound rates for mail to zones 1, 2, and 3, where less transportation is used. Zone 4 through Zone 8 rates will increase to reflect higher transportation costs.
- The editorial pound rate has increased so that a 100% editorial publication will come closer to covering its costs.
- The editorial per piece discount will increase.
- Separate per-piece rates have been developed for 5-digit presort and for 3-digit presort in all rate categories. Also, the 3-digit rate will apply to mail sorted to both unique and non-unique 3-digit ZIP Codes.
- The fees to apply for authorization will not change.
- Based on the costs of preferred rate Periodicals and the Revenue Forgone Reform Act cost coverages, the proposed In-County rates will have a below average increase. The nonprofit rates will have an above average increase.
- For the extremely small Classroom subclass, measuring costs has been difficult for some time. The most recent data would indicate a very large rate increase, on top of the just-approved 24% increase for Step 5 rates that will take effect this October. To

What Is It?

Periodicals mail consists of a wide range of regularly-published publications—mainly magazines, newspapers, newsletters, and bulletins. A periodical publication must be authorized by the Postal Service to mail at Periodicals rates. Charges are based on the weight of a piece and the number of pieces in a mailing.

ease the impact on mailers, the Postal Service proposes to continue to use Nonprofit Periodical rates for Classroom rate publications.

Applying the Average

With the new rates, the amount of increase for a given periodical may vary from the average.

It's likely that some publications will have an above average increase in rates—publications like those with a small but widely dispersed circulation (and therefore limited ability to drop ship and to presort to a finer level) and those with above average percentages of editorial content.

Small publications with local circulation and large publications that drop ship will probably have below average increases.

Regular Periodicals rates will increase a little more than average because costs for Periodicals units have gone up more than those for average mailpieces since the last rate case.

— *Lynn Martin, Mail Preparation and Standards*

Periodicals, Regular and Science-of-Agriculture Rates

Pound Rates

Zone	—Current—		—Proposed—	
	Regular	Sc. of Ag.	Regular	Sc. of Ag.
Nonadvertising Portion	\$0.161		\$0.174	
Advertising Portion				
Delivery Unit	0.169	0.127	0.158	0.119
SCF	0.190	0.143	0.180	0.135
1&2	0.214	0.161	0.203	0.152
3	0.224		0.216	
4	0.251		0.251	
5	0.292		0.305	
6	0.336		0.361	
7	0.388		0.416	
8	0.432		0.474	

Note that Science-of-Agriculture advertising zone rates won't change on October 5, 1997

Per Piece Rates

Presort Level	Nonautomation		Automation Letters		Automation Flats	
	Current	Proposed	Current	Proposed	Current	Proposed
Basic	\$0.240	\$0.263	\$0.194	\$0.182	\$0.209	\$0.221
3/5-Digit	0.202	—	0.173	—	0.175	—
3-Digit	—	0.217	—	0.166	—	0.188
5-Digit	—	0.214	—	0.162	—	0.186
Carrier Route	0.119	0.128	—	—	—	—
High Density	0.111	0.116	—	—	—	—
Saturation	0.095	0.102	—	—	—	—

Discounts

Per Piece Rate Discounts	Current	Proposed
Nonadvertising adjustment for each 1% of nonadvertising content	\$0.00057	\$0.00059
Delivery unit zone piece discount for each addressed piece claimed in the pound rate portion at the delivery unit zone rate	0.021	0.023
SCF zone piece discount for each addressed piece claimed in the pound rate portion at the SCF zone rate	0.011	0.012

Per Piece Rates

Presort Level	Nonautomation		
	Current	10/5/97 ¹	Proposed ²
Basic	\$0.081	\$0.082	\$0.090
3/5-Digit	—	—	—
3-Digit	—	—	0.079
5-Digit	—	—	0.076
Carrier Route	0.043	0.044	0.044
High Density	0.038	0.039	0.040
Saturation	0.036	0.037	0.038

Presort Level	Automation Letters			Automation Flats		
	Current	10/5/97 ¹	Proposed ²	Current	10/5/97 ¹	Proposed ²
Basic	0.081	0.082	0.062	0.081	0.082	0.077
3/5-Digit	—	—	—	0.066	0.067	—
3-Digit	0.077	0.078	0.060	—	—	0.066
5-Digit	0.064	0.065	0.058	—	—	0.062

¹ Prices reflect Step 5 phased rates that will be effective October 5, 1997.

² Prices reflect proposed Step 5 phased rates.

Periodicals, In-County Rates

Pound Rates

Zone	Current	10/5/97 ¹	Proposed ²
Delivery Unit	\$0.112	\$0.112	\$0.117
All Others	0.122	0.122	0.130

¹ Prices reflect Step 5 phased rates that will be effective October 5, 1997.

² Prices reflect proposed Step 5 phased rates.

Discount

Delivery unit zone piece discount for each addressed piece claimed in pound rate portion at delivery unit zone rate

Current	10/5/97 ¹	Proposed ²
\$0.003	\$0.003	\$0.004

¹ Prices reflect Step 5 phased rates that will be effective October 5, 1997.

² Prices reflect proposed Step 5 phased rates.

Per Piece Rates

Presort Level	——Nonautomation——		
	Current	10/5/97 ¹	Proposed ²
Basic	\$0.216	\$0.217	\$0.243
3/5-Digit	0.171	0.172	—
3-Digit	—	—	0.184
5-Digit	—	—	0.182
Carrier Route	0.104	0.105	0.112
High Density	0.097	0.098	0.092
Saturation	0.083	0.084	0.079

Presort Level	——Automation Letters——			——Automation Flats——		
	Current	10/5/97 ¹	Proposed ²	Current	10-05-97 ¹	Proposed ²
Basic	0.186	0.187	0.164	0.192	0.193	0.206
3/5-Digit	—	—	—	0.147	0.148	—
3-Digit	0.148	0.149	0.155	—	—	0.158
5-Digit	0.148	0.149	0.150	—	—	0.154

¹ Prices reflect Step 5 phased rates that will be effective October 5, 1997.

² Prices reflect proposed Step 5 phased rates.

Periodicals, Nonprofit Rates

Pound Rates

Zone	Current	10/5/97 ¹	Proposed ²
Nonadvertising Portion	\$0.138	\$0.142	\$0.153
Advertising Portion			
Delivery Unit	0.169	0.169	0.158
SCF	0.190	0.190	0.180
1&2	0.214	0.214	0.203
3	0.224	0.224	0.216
4	0.251	0.251	0.251
5	0.292	0.292	0.305
6	0.336	0.336	0.361
7	0.388	0.388	0.416
8	0.432	0.432	0.474

¹ Prices reflect Step 5 phased rates that will be effective October 5, 1997.

² Prices reflect proposed Step 5 phased rates.

Discounts

Discount	Current	10/5/97 ¹	Proposed ²
Nonadvertising adjustment for each 1% of non-advertising content	\$0.00042	\$0.00042	\$0.00044
Delivery unit zone piece discount for each addressed piece claimed in pound rate portion at delivery unit zone rate	0.012	0.012	0.012
SCF zone piece discount for each addressed piece claimed in pound rate portion at SCF zone rate	0.006	0.006	0.006

¹ Prices reflect Step 5 phased rates that will be effective October 5, 1997.

² Prices reflect proposed Step 5 phased rates.

Per Piece Rates

Presort Level	Nonautomation		
	Current	10/5/97 ¹	Proposed ²
Basic	\$0.169	\$0.211	\$0.243
3/5-Digit	0.126	0.160	—
3-Digit	—	—	0.184
5-Digit	—	—	0.182
Carrier Route	0.088	0.115	0.112
High Density	0.086	0.113	0.092
Saturation	0.081	0.107	0.079

Presort Level	Automation Letters			Automation Flats		
	Current	10/5/97 ¹	Proposed ²	Current	10-05-97 ¹	Proposed ²
Basic	0.152	0.191	0.164	0.146	0.184	0.206
3/5-Digit	—	—	—	0.111	0.142	—
3-Digit	0.116	0.148	0.155	—	—	0.158
5-Digit	0.109	0.140	0.150	—	—	0.154

Presort Level	ZIP+4 Letters		
	Current	10/5/97 ¹	Proposed ²
Basic	0.169	—	—
3/5	0.126	—	—

¹ Prices reflect Step 5 phased rates that will be effective October 5, 1997.

² Prices reflect proposed Step 5 phased rates.

Periodicals, Classroom Rates

Pound Rates

Zone	Current	10/5/97 ¹	Proposed ²
Nonadvertising Portion	\$0.110	\$0.143	\$0.153
Advertising Portion			
Delivery Unit	0.180	0.169	0.158
SCF	0.191	0.190	0.180
1&2	0.212	0.214	0.203
3	0.223	0.224	0.216
4	0.250	0.251	0.251
5	0.292	0.292	0.305
6	0.335	0.336	0.361
7	0.388	0.388	0.416
8	0.432	0.432	0.474

¹ Prices reflect Step 5 phased rates that will be effective October 5, 1997.

² Prices reflect proposed Step 5 phased rates.

Discounts

Discount	Current	10/5/97 ¹	Proposed ²
Nonadvertising adjustment for each 1% of nonadvertising content	\$0.00035	\$0.00042	\$0.00044
Delivery unit zone piece discount for each addressed piece claimed in pound rate portion at delivery unit zone rate	0.005	0.006	0.012
SCF zone piece discount for each addressed piece claimed in pound rate portion at SCF zone rate	—	0.004	0.006

¹ Prices reflect Step 5 phased rates that will be effective October 5, 1997.

² Prices reflect proposed Step 5 phased rates.

Standard Mail (A)

Proposed rates and changes

THE Postal Service proposes that single-piece Standard Mail (A) rates be eliminated. Those rates are already the same as for First-Class Mail up to 11 ounces and would have to be increased beyond First-Class rates if this subclass were kept.

Some of this mail would simply travel as First-Class or Priority Mail. The rest would be expected to use the recently proposed Bulk Parcel Return and Shipper Paid Forwarding services. Parcel Post rates would then begin at one pound.

These proposals are pending before the Commission in Docket No. MC97-4/R97-1. The Postal Service is trying to negotiate MC97-4 through a joint settlement agreement.

The rate relationship between automation 5-digit letter and Enhanced Carrier Route (nonautomation) basic is adjusted to make automation more attractive. Also, reductions in most of the "pound" rates are proposed.

The most significant rate increase is for automation flats that are presorted to 3/5-digit. The rate for pieces weighing about 3 ounces or less increases 9.5 percent. But the average rate change for the

Regular Standard Mail

Letter-Size Minimum Per Piece Rates

Nonautomation Entry Discount	——Basic——		——3/5-Digit——	
	Current ¹	Proposed ²	Current ¹	Proposed ²
None	\$0.256	\$0.247	\$0.209	\$0.209
DBMC	0.243	0.232	0.196	0.194
DSCF	0.238	0.229	0.191	0.191
DDU	—	—	—	—

¹ Pieces 0.2068 pound (3.3087 ounces) or less.

² Pieces 0.2062 pound (3.2985 ounces) or less.

Automation ¹ Entry Discount	——Basic——		——3-Digit——		——5-Digit——	
	Current ²	Proposed ³	Current ²	Proposed ³	Current ²	Proposed ³
None	\$0.183	\$0.189	\$0.175	\$0.178	\$0.155	\$0.160
DBMC	0.170	0.174	0.162	0.163	0.142	0.145
DSCF	0.165	0.171	0.157	0.160	0.137	0.142
DDU	—	—	—	—	—	—

¹ Pieces weighing over 3 ounces subject to additional standards.

² Pieces 0.2068 pound (3.3087 ounces) or less.

³ Pieces 0.2062 pound (3.2985 ounces) or less.

category is 7.2 percent because of the reduction in the pound rate. These changes would apply to both Regular and Nonprofit Standard Mail (A) rates.

Outgoing Standard Mail (A) pieces that are neither letter nor flat shaped would be subject to a 10-cent surcharge.

— Tom DeVaghan, Mail Preparation and Standards

Nonletter-Size Minimum Per Piece Rates

Nonautomation Entry Discount	——Basic——		——3/5-Digit——	
	Current ¹	Proposed ²	Current ¹	Proposed ²
None	\$0.306	\$0.300	\$0.225	\$0.240
DBMC	0.293	0.285	0.212	0.225
DSCF	0.288	0.282	0.207	0.222
DDU	—	—	—	—

Automation Entry Discount	——Basic——		——3/5-Digit——	
	Current ¹	Proposed ²	Current ¹	Proposed ²
None	\$0.277	\$0.243	\$0.189	\$0.207
DBMC	0.264	0.228	0.176	0.192
DSCF	0.259	0.225	0.171	0.189
DDU	—	—	—	—

¹ Pieces 0.2068 pound (3.3087 ounces) or less.

² Pieces 0.2062 pound (3.2985 ounces) or less.

Piece/Pound Rates

Nonautomation Pc./Pound Rate ¹	——Basic——		——3/5-Digit——	
	Current ²	Proposed ³	Current ²	Proposed ³
Per Piece	\$0.166	\$0.166	\$0.085	\$0.106
Per Pound⁴	PLUS	PLUS	PLUS	PLUS
None	0.677	0.650	0.677	0.650
DBMC	0.613	0.578	0.613	0.578
DSCF	0.592	0.562	0.592	0.562
DDU	—	—	—	—

¹ Each piece is subject to both a piece rate and a pound rate.

² Pieces more than 0.2068 pound (3.3087 ounces).

Automation Pc./Pound Rate ¹	——Basic——		——3/5-Digit——	
	Current ²	Proposed ³	Current ²	Proposed ³
Per Piece	\$0.137	\$0.109	\$0.049	\$0.073
Per Pound⁵	PLUS	PLUS	PLUS	PLUS
None	0.677	0.650	0.677	0.650
DBMC	0.613	0.578	0.613	0.578
DSCF	0.592	0.562	0.592	0.562
DDU	—	—	—	—

³ Pieces more than 0.2062 pound (3.2985 ounces).

⁴ Includes entry discount if applicable.

Enhanced Carrier Route Standard Mail

Letter-Size Minimum Per Piece Rates

Nonautomation Entry Discount	—Basic—		—High Density—		—Saturation—	
	Current	Proposed	Current	Proposed	Current	Proposed
None	\$0.150	\$0.164	\$0.142	\$0.143	\$0.133	\$0.134
DBMC	0.137	0.149	0.129	0.128	0.120	0.119
DSCF	0.132	0.146	0.124	0.125	0.115	0.116
DDU	0.127	0.141	0.119	0.120	0.110	0.111

Notes

Per Piece rates: pieces now weigh 0.2066 pound (3.3062 ounces) or less. Pieces under the proposed rates would weigh 0.2057 pound (3.2906 ounces) or less.

Piece/Pound rates: pieces now weigh more than 0.2066 pound (3.3062 ounces). Pieces under the proposed rates would weigh more than 0.2057 pound (3.2906 ounces).

Automation pieces that weigh more than 3 ounces are subject to additional standards.

Automation Entry Discount	—Basic—	
	Current	Proposed
None	\$0.146	\$0.157
DBMC	0.133	0.142
DSCF	0.128	0.139
DDU	0.123	0.134

Nonletter-Size Minimum Per Piece Rates

Entry Discount	—Basic—		—High Density—		—Saturation—	
	Current	Proposed	Current	Proposed	Current	Proposed
None	\$0.155	\$0.164	\$0.147	\$0.153	\$0.137	\$0.141
DBMC	0.142	0.149	0.134	0.138	0.124	0.126
DSCF	0.137	0.146	0.129	0.135	0.119	0.123
DDU	0.132	0.141	0.124	0.130	0.114	0.118

Each piece is subject to both a piece rate and a pound rate.
The Per Pound rate includes any entry discount that applies.

Piece/Pound Rates

Pc./Pound Rate	—Basic—		—High Density—		—Saturation—	
	Current	Proposed	Current	Proposed	Current	Proposed
Per Piece	\$0.018	\$0.055	\$0.010	\$0.044	\$0.000	\$0.032
Per Pound⁴	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS
None	0.663	0.530	0.663	0.530	0.663	0.530
DBMC	0.599	0.458	0.599	0.458	0.599	0.458
DSCF	0.578	0.442	0.578	0.442	0.578	0.442
DDU	0.552	0.420	0.552	0.420	0.552	0.420

Nonprofit Standard Mail

Letter-Size Minimum Per Piece Rates

Nonautomation Entry Discount	—Basic—		—3/5-Digit—		Automation Entry Discount	—Basic—		—3-Digit—		—5-Digit—	
	10/5/97	Proposed	10/5/97	Proposed		10/5/97	Proposed	10/5/97	Proposed	10/5/97	Proposed
None	\$0.135	\$0.160	\$0.117	\$0.138	None	\$0.102	\$0.119	\$0.098	\$0.107	\$0.085	\$0.090
DBMC	0.122	0.145	0.104	0.123	DBMC	0.089	0.104	0.085	0.092	0.072	0.075
DSCF	0.117	0.142	0.099	0.120	DSCF	0.084	0.101	0.080	0.089	0.067	0.072
DDU	—	—	—	—	DDU	—	—	—	—	—	—

Notes

The 10/5/97 prices reflect preferred Step 5 postage rate changes effective October 5, 1997. The proposed prices reflect the price changes proposed in the recent omnibus rate filing.

Per Piece rates: The 10/5/97 pieces weigh 0.2085 pound (3.3362 ounces) or less. Pieces under the proposed rates would weigh 0.2055 pound (3.2873 ounces) or less.

Piece/Pound rates: The 10/5/97 pieces weigh more than 0.2085 pound (3.3362 ounces). Pieces under the proposed rates would weigh more than 0.2055 pound (3.2873 ounces).

Automation pieces that weigh more than 3 ounces are subject to additional standards.

Nonletter-Size Minimum Per Piece Rates

Nonautomation Entry Discount	—Basic—		—3/5-Digit—		Automation Entry Discount	—Basic—		—3/5-Digit—	
	10/5/97	Proposed	10/5/97	Proposed		10/5/97	Proposed	10/5/97	Proposed
None	\$0.198	\$0.234	\$0.149	\$0.171	None	\$0.174	\$0.185	\$0.125	\$0.150
DBMC	0.185	0.219	0.136	0.156	DBMC	0.161	0.170	0.112	0.135
DSCF	0.180	0.216	0.131	0.153	DSCF	0.156	0.167	0.107	0.132
DDU	—	—	—	—	DDU	—	—	—	—

Each piece is subject to both a piece rate and a pound rate.

The Per Pound rate includes any entry discount that applies.

Piece/Pound Rates

Nonautomation Pc./Pound Rate	—Basic—		—3/5-Digit—		Automation Pc./Pound Rate	—Basic—		—3/5-Digit—	
	10/5/97	Proposed	10/5/97	Proposed		10/5/97	Proposed	10/5/97	Proposed
Per Piece	\$0.100	\$0.121	\$0.048	\$0.058	Per Piece	\$0.076	\$0.072	\$0.024	\$0.037
Per Pound	PLUS	PLUS	PLUS	PLUS	Per Pound	PLUS	PLUS	PLUS	PLUS
None	0.470	0.550	0.470	0.550	None	0.470	0.550	0.484	0.550
DBMC	0.408	0.478	0.408	0.478	DBMC	0.408	0.478	0.422	0.478
DSCF	0.382	0.462	0.382	0.462	DSCF	0.382	0.462	0.396	0.462
DDU	—	—	—	—	DDU	—	—	—	—

Nonprofit Enhanced Carrier Route Standard Mail

Letter-Size Minimum Per Piece Rates

Nonautomation	—Basic—		—High Density—		—Saturation—	
	10/5/97	Proposed	10/5/97	Proposed	10/5/97	Proposed
None	\$0.093	\$0.096	\$0.087	\$0.073	\$0.081	\$0.067
DBMC	0.080	0.081	0.074	0.058	0.068	0.052
DSCF	0.075	0.078	0.069	0.055	0.063	0.049
DDU	0.069	0.073	0.063	0.050	0.057	0.044

Automation	—Basic—	
	10/5/97	Proposed
None	\$0.082	\$0.087
DBMC	0.069	0.072
DSCF	0.064	0.069
DDU	0.058	0.064

Notes

The 10/5/97 prices reflect preferred Step 5 postage rate changes effective October 5, 1997. The proposed prices reflect the price changes proposed in the recent omnibus rate filing.

Per Piece rates: The 10/5/97 pieces weigh 0.2084 pound (3.3348 ounces) or less. Pieces under the proposed rates would weigh 0.2057 pound (3.2914 ounces) or less.

Piece/Pound rates: The 10/5/97 pieces weigh more than 0.2084 pound (3.3348 ounces). Pieces under the proposed rates would weigh more than 0.2057 pound.

Automation pieces that weigh more than 3 ounces are subject to additional standards.

Nonletter-Size Minimum Per Piece Rates

Entry Discount	—Basic—		—High Density—		—Saturation—	
	10/5/97	Proposed	10/5/97	Proposed	10/5/97	Proposed
None	\$0.0107	\$0.096	\$0.100	\$0.086	\$0.094	\$0.080
DBMC	0.094	0.081	0.087	0.071	0.081	0.065
DSCF	0.089	0.078	0.082	0.068	0.076	0.062
DDU	0.083	0.073	0.076	0.063	0.070	0.057

The Per Pound rate includes any entry discount that applies. Each piece is subject to both a piece rate and a pound rate.

Piece/Pound Rates

Pc./ Pound Rate	—Basic—		—High Density—		—Saturation—	
	10/5/97	Proposed	10/5/97	Proposed	10/5/97	Proposed
Per Piece	\$0.013	\$0.024	\$0.006	\$0.014	\$0.000	\$0.008
Per Pound	PLUS	PLUS	PLUS	PLUS	PLUS	PLUS
None	0.451	0.350	0.451	0.350	0.451	0.350
DBMC	0.389	0.278	0.389	0.278	0.389	0.278
DSCF	0.363	0.262	0.363	0.262	0.363	0.262
DDU	0.337	0.240	0.337	0.240	0.337	0.240

Parcel Post

Proposed rates and changes

THE new worksharing options and other initiatives put forward in the parcel reform case will be carried forward to the omnibus case. (See April's *Mailers Companion* for more information on the parcel case.)

Initiatives that apply to all subclasses of Standard Mail (B) include:

- **Delivery confirmation**—would allow mailers, for a fee, to check whether their parcel was delivered and to determine the day of delivery.
- **Barcoding discount**—would provide a four-cent discount to bulk mailers who barcode their parcels for automated processing.

Parcel Post

Due to cost increases, Parcel Post as a whole will have a higher-than-average rate increase. Some single-piece rates will be increased by as much as 30 percent, since single piece parcels have not been covering their costs.

Initiatives affecting Parcel Post include:

- **Destination entry**—Parcel Post mailers now get a discount for entering parcels at the destination bulk mail center (BMC), and new discounts will be offered for entering Parcel Post at the destination sectional center facility (SCF) or delivery unit.
- **Presorting**—a discount will be offered for presorting parcels by BMC.

- **Size limit increase**—The maximum size for Parcel Post items (measured by adding length to girth) would increase from 108 inches to 130 inches. Parcels that measured more than 108 inches would use the rates for 70-pound parcels.

- **Cube surcharge**—large but light-weight Parcel Post items that use more cubic space in a truck than a typical parcel of that weight would be surcharged. Any item less than 15 pounds but over 84 inches in combined length and girth would be charged the 15-pound parcel rate.

- **Medical or hazardous materials**—There will be a hazardous material surcharge for parcels containing medical materials like laboratory samples or hazardous materials like toxic chemicals.

Bound Printed Matter

This proposal increases the maximum allowable weight for Bound Printed Matter from 10 to 15 pounds.

Library Mail

As with nonprofit classifications, changes in costs and application of the Revenue Forgone Reform Act dictate rate increases well above average. But most Library Mail rate items will be eligible for the Special Standard Mail rates, which are somewhat below the proposed Library Mail rates.

— Pat Bennett, *Mail Preparation and Standards*

Most Parcel Post rates will go up, but some will go down

Postal Unit Acronyms

BMC—bulk mail center

DDU—destination delivery unit

DSCF—destination sectional center facility

Proposed Parcel Post Rates, Destination BMC/DDU/DSCF

Weight (lbs.)	DDU	DSCF	Zones 1 & 2	Zone 3	Zone 4	Zone 5
1	\$1.37	\$1.60	\$2.01	\$2.26	\$2.70	\$2.70
2	1.37	1.60	2.01	2.26	2.70	2.70
3	1.44	1.72	2.18	2.67	3.02	3.36
4	1.48	1.84	2.34	2.99	3.46	4.36
5	1.54	1.94	2.49	3.28	3.78	4.87
6	1.59	2.04	2.63	3.56	4.07	5.35
7	1.63	2.12	2.75	3.82	4.35	5.79
8	1.69	2.22	2.88	4.06	4.59	6.21
9	1.73	2.31	3.00	4.30	4.84	6.60
10	1.77	2.38	3.11	4.52	5.06	6.97
11	1.80	2.46	3.21	4.67	5.27	7.31
12	1.81	2.54	3.32	4.81	5.47	7.64
13	1.83	2.60	3.41	4.93	5.66	7.94
14	1.83	2.67	3.50	5.08	5.84	8.23
15	1.84	2.74	3.60	5.20	6.02	8.50
16	1.87	2.80	3.68	5.32	6.18	8.77
17	1.87	2.86	3.76	5.43	6.34	9.01
18	1.88	2.93	3.85	5.54	6.49	9.26
19	1.89	2.98	3.92	5.64	6.63	9.48
20	1.92	3.04	4.00	5.75	6.76	9.69
21	1.92	3.11	4.08	5.85	6.89	9.91
22	1.93	3.16	4.15	5.94	7.02	10.11
23	1.95	3.21	4.22	6.05	7.15	10.30
24	1.96	3.28	4.30	6.14	7.26	10.48
25	1.98	3.32	4.36	6.21	7.38	10.66
26	1.99	3.37	4.42	6.31	7.49	10.83
27	2.01	3.42	4.48	6.38	7.59	10.99
28	2.02	3.47	4.55	6.47	7.70	11.15
29	2.05	3.52	4.61	6.57	7.80	11.31
30	2.08	3.56	4.66	6.63	7.89	11.46
31	2.09	3.61	4.72	6.70	7.99	11.60
32	2.11	3.66	4.78	6.79	8.08	11.74
33	2.13	3.70	4.84	6.85	8.17	11.88
34	2.15	3.74	4.89	6.92	8.25	12.00
35	2.16	3.78	4.94	6.99	8.34	12.13

Weight (lbs.)	DDU	DSCF	Zones 1 & 2	Zone 3	Zone 4	Zone 5
36	2.17	3.83	5.00	7.05	8.43	12.26
37	2.19	3.87	5.05	7.11	8.50	12.38
38	2.21	3.91	5.10	7.19	8.59	12.49
39	2.24	3.95	5.14	7.24	8.66	12.60
40	2.26	3.99	5.19	7.31	8.73	12.72
41	2.28	4.04	5.25	7.38	8.80	12.82
42	2.30	4.07	5.29	7.44	8.87	12.92
43	2.32	4.11	5.34	7.49	8.95	13.03
44	2.36	4.14	5.38	7.54	9.01	13.12
45	2.37	4.18	5.42	7.61	9.08	13.22
46	2.39	4.22	5.47	7.67	9.14	13.31
47	2.42	4.26	5.52	7.72	9.20	13.40
48	2.44	4.30	5.56	7.77	9.27	13.50
49	2.46	4.33	5.60	7.83	9.33	13.58
50	2.48	4.36	5.64	7.88	9.38	13.67
51	2.51	4.40	5.68	7.93	9.45	13.75
52	2.52	4.44	5.73	8.00	9.50	13.83
53	2.55	4.47	5.77	8.05	9.55	13.91
54	2.58	4.51	5.81	8.09	9.61	13.99
55	2.60	4.54	5.85	8.13	9.67	14.06
56	2.62	4.58	5.89	8.19	9.72	14.13
57	2.64	4.61	5.93	8.24	9.77	14.21
58	2.67	4.65	5.97	8.28	9.82	14.28
59	2.69	4.68	6.01	8.33	9.87	14.35
60	2.70	4.72	6.05	8.39	9.93	14.42
61	2.75	4.74	6.08	8.42	9.97	14.49
62	2.76	4.78	6.12	8.46	10.02	14.55
63	2.79	4.80	6.15	8.52	10.07	14.61
64	2.81	4.84	6.19	8.55	10.12	14.68
65	2.84	4.87	6.23	8.61	10.16	14.74
66	2.85	4.91	6.27	8.66	10.20	14.81
67	2.89	4.94	6.30	8.70	10.25	14.86
68	2.91	4.97	6.34	8.74	10.30	14.92
69	2.94	5.00	6.37	8.76	10.34	14.98
70	2.96	5.03	6.41	8.83	10.39	15.03

Parcel Post, Nonmachinable Inter-BMC Rates

Weight Zones (lbs.)	1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
1	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50
2	4.50	4.50	4.50	4.50	4.50	4.50	4.50
3	4.94	5.20	5.58	5.70	5.70	5.70	5.70
4	5.08	5.51	6.15	6.80	6.80	6.80	6.80
5	5.21	5.74	6.66	7.57	7.90	7.90	7.90
6	5.34	5.97	7.06	8.18	9.10	9.55	10.05
7	5.46	6.17	7.42	8.76	10.28	11.15	12.45
8	5.59	6.36	7.73	9.29	10.95	12.15	13.70
9	5.68	6.54	8.06	9.78	11.60	13.20	14.95
10	5.80	6.71	8.34	10.22	12.20	14.10	16.15
11	5.89	6.88	8.62	10.65	12.74	15.15	17.40
12	5.99	7.03	8.88	11.04	13.26	15.97	18.21
13	6.08	7.16	9.12	11.42	13.74	16.60	18.56
14	6.17	7.32	9.36	11.77	14.20	17.18	19.62
15	6.25	7.45	9.59	12.09	14.61	17.72	20.60
16	6.33	7.58	9.80	12.40	15.02	18.23	21.65
17	6.42	7.69	10.01	12.70	15.40	18.71	22.70
18	6.49	7.81	10.20	12.97	15.75	19.17	23.75
19	6.58	7.93	10.39	13.23	16.09	19.61	24.60
20	6.64	8.03	10.55	13.48	16.41	20.02	25.19
21	6.71	8.15	10.72	13.72	16.71	20.41	25.76
22	6.78	8.24	10.89	13.95	17.01	20.78	26.31
23	6.85	8.36	11.06	14.17	17.28	21.13	26.82
24	6.90	8.45	11.20	14.37	17.56	21.47	27.32
25	6.97	8.54	11.36	14.56	17.81	21.78	27.80
26	7.03	8.63	11.50	14.75	18.05	22.08	28.26
27	7.10	8.72	11.63	14.94	18.28	22.38	28.69
28	7.15	8.81	11.78	15.10	18.49	22.67	29.12
29	7.21	8.90	11.91	15.27	18.70	22.93	29.52
30	7.27	8.98	12.02	15.43	18.90	23.19	29.92
31	7.33	9.05	12.15	15.58	19.10	23.43	30.29
32	7.38	9.14	12.27	15.73	19.29	23.66	30.65
33	7.43	9.22	12.39	15.87	19.46	23.89	31.01
34	7.49	9.28	12.49	16.00	19.64	24.10	31.35
35	7.54	9.36	12.61	16.14	19.81	24.31	31.68

Weight Zones (lbs.)	1 & 2	Zone 3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
36	7.59	9.42	12.73	16.26	19.96	24.51	31.99
37	7.64	9.49	12.82	16.39	20.12	24.70	32.29
38	7.69	9.57	12.93	16.50	20.27	24.89	32.59
39	7.75	9.63	13.02	16.62	20.41	25.06	32.88
40	7.79	9.70	13.12	16.72	20.55	25.24	33.16
41	7.85	9.77	13.21	16.85	20.68	25.41	33.42
42	7.89	9.83	13.30	16.95	20.81	25.56	33.68
43	7.93	9.89	13.40	17.04	20.93	25.72	33.93
44	7.98	9.94	13.48	17.14	21.05	25.87	34.18
45	8.02	10.01	13.57	17.23	21.16	26.01	34.41
46	8.07	10.07	13.65	17.33	21.28	26.15	34.65
47	8.12	10.13	13.73	17.41	21.38	26.28	34.87
48	8.16	10.19	13.82	17.50	21.49	26.41	35.08
49	8.20	10.24	13.90	17.59	21.59	26.53	35.30
50	8.24	10.29	13.96	17.66	21.70	26.66	35.50
51	8.29	10.35	14.05	17.74	21.79	26.77	35.70
52	8.33	10.41	14.12	17.82	21.88	26.89	35.89
53	8.37	10.46	14.18	17.89	21.97	26.99	36.09
54	8.41	10.52	14.26	17.96	22.06	27.11	36.27
55	8.45	10.55	14.34	18.04	22.14	27.20	36.45
56	8.50	10.62	14.40	18.10	22.23	27.31	36.62
57	8.54	10.67	14.47	18.17	22.30	27.40	36.79
58	8.58	10.71	14.53	18.23	22.39	27.49	36.95
59	8.62	10.76	14.60	18.30	22.47	27.59	37.11
60	8.66	10.81	14.68	18.36	22.54	27.67	37.27
61	8.71	10.87	14.73	18.42	22.61	27.75	37.42
62	8.75	10.91	14.79	18.47	22.69	27.84	37.57
63	8.77	10.96	14.86	18.54	22.75	27.93	37.72
64	8.81	11.00	14.92	18.59	22.81	28.01	37.85
65	8.85	11.05	14.97	18.64	22.87	28.09	37.99
66	8.90	11.10	15.03	18.69	22.94	28.16	38.12
67	8.94	11.14	15.09	18.74	23.00	28.23	38.26
68	8.97	11.18	15.16	18.80	23.06	28.31	38.39
69	9.01	11.22	15.21	18.85	23.11	28.37	38.50
70	9.05	11.28	15.27	18.90	23.18	28.43	38.63

Special Services

Proposed fees and changes

THE Postal Service proposes to build on the success of the recent Special Services reforms by making a few more minor changes.

These changes are proposed:

- **Business reply mail**—For business reply mail, we propose decreases to the two higher fee categories and an increase to the BRMAS per-piece fee. BRMAS mail would receive a 30-cent qualified BRM rate, so the total postage and fees for a one-ounce letter would only be going up from 34 cents to 36 cents.
- **Certified mail**—We propose a 15 percent fee increase to better reflect the value of this service and to cover the cost of providing it.
- **Insurance**—A bulk insurance discount of 40 cents off the single-piece fee is proposed for customers who ship in bulk and whose mailing records are processed electronically.
- **Registered mail**—The cost of registered mail will be increased to cover the cost of the network.
- **Return receipts**—We propose fee increases to better reflect the value of this service.
- **Stamped cards**—A 2-cent fee is proposed to reflect the cost of manufacturing stamped cards.
- **Special handling**—Increases are proposed to special handling fees due to rising costs.

— Tom DeV Vaughan,
Mail Preparation and Standards

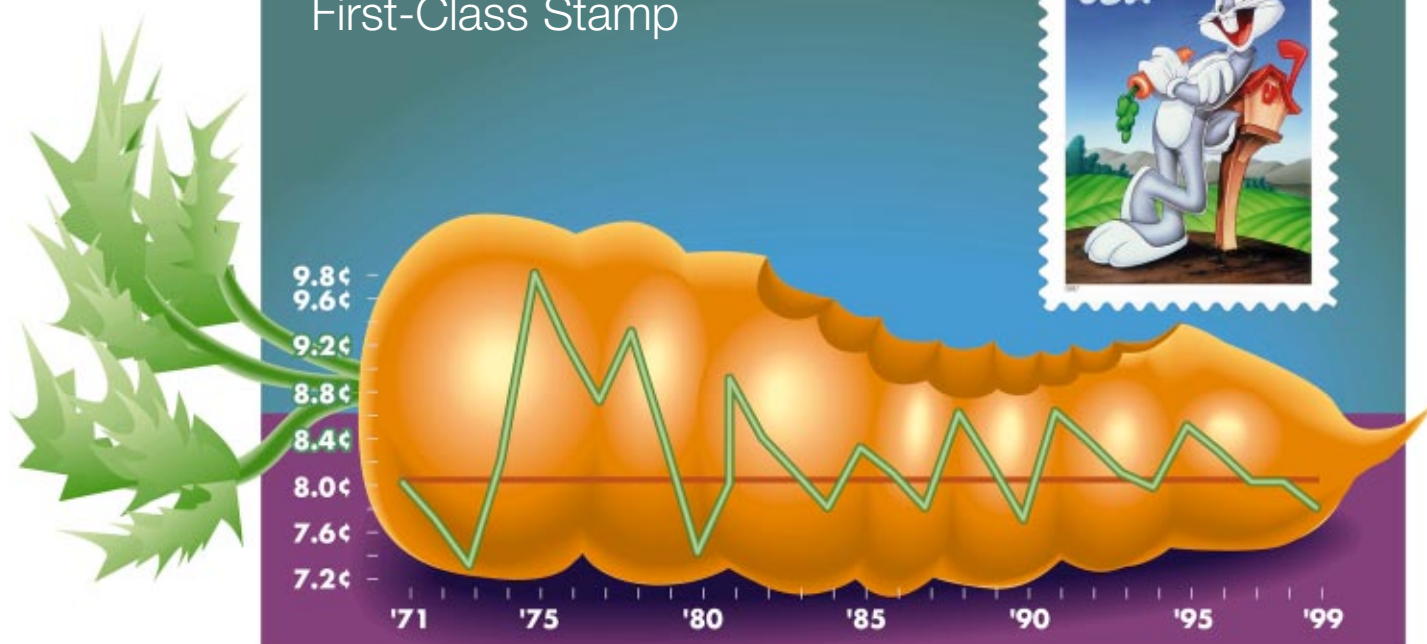
Special Services Fees

Service	Current	Proposed
Restricted Delivery	\$2.75	\$2.75
Return Receipts		
Used At Time of Mailing		
“Reg, Cert, Ins”	1.10	1.45
Merchandise	1.20	1.70
After Mailing	6.60	7.00
Certified Mail	1.35	1.55
Certificates of Mailing		
“Original Cert, Add'l Copy, Dup Bulk”	0.55	0.60
Firm Mailing Book	0.25	0.25
Bulk up to 1000 pcs	2.75	3.00
Each add'l 1000 pcs	0.35	0.40
Insurance		
Unnumbered: Indemnity Value \$0 - \$50	0.75	0.90
Numbered: Indemnity Value \$50.01 - \$100	1.60	1.90
Per \$100 Indemnity Greater Than \$100	0.90	1.00
Bulk Insurance Discount	NA	0.40
Periodicals Applications		
Original Entry	305.00	305.00
Re-entry	50.00	50.00
Additional Entry	85.00	50.00
News Agent Registration Fee	50.00	50.00
First Class Presort Mailing Fee	85.00	100.00
Standard (A) Bulk Mailing Fee	85.00	100.00
Presorted Special Standard Mailing Fee	85.00	100.00
Authorization to Use Permit Imprint	85.00	100.00
Merchandise Return Permit Fee	85.00	100.00
Destination Bulk Mail Center Fee	85.00	100.00
Merchandise Return	0.30	0.30

A Stamp's Real Value

What's down, Doc?

The Real Price of a First-Class Stamp



This chart shows the real price of a First-Class stamp, deflated by the Consumer Price Index. The real price of a 33-cent stamp today would be just eight cents—the same as in 1971 when the Postal Service was first established.

In 1971, the Postal Service also received tax subsidies worth an extra eight-tenths of a cent on the First-Class

stamp, making next year's price a much better value. The Postal Service stopped accepting tax dollar subsidies in 1982, and has been financially self-sufficient for the past 15 years.

The one-cent increase is the smallest ever sought, and the 3½-year interval since the last adjustment would be the second-longest on record.

MAILERS COMPANION
ADDRESS QUALITY
US POSTAL SERVICE
6060 PRIMACY PKWY STE 201
MEMPHIS TN 38188-0001

ADDRESS SERVICE REQUESTED

BULK RATE
POSTAGE & FEES PAID
USPS
PERMIT NO. G-10